

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
Jeffrey L. Clet

SUBJECT: SEE BELOW

DATE: 10-27-05

Approved



Date

11/1/05

Council District: FS No. 34: 3 & 4
FS No. 35: 2

SUBJECT: FIRST AMENDMENT TO THE AGREEMENT WITH RRM DESIGN GROUP, INC. FOR THE PLANNING, DESIGN AND CONSTRUCTION ADMINISTRATION OF FIRE STATION NO. 34 AND FIRE STATION NO. 35

RECOMMENDATION

Approval of the first amendment to the agreement with RRM Design Group, Inc. to expand the planning, design and construction administration scope of services for Fire Stations Nos. 34 and 35, increase compensation by \$366,366 for a total agreement amount of \$1,032,015 and extend the term from May 31, 2007 to May 31, 2008.

CEQA: FS No. 34: Mitigated Negative Declaration, PP05-104
FS No. 35: Exempt, PP02-02-028.

BACKGROUND

In March 2002, San José voters passed the Neighborhood Security Bond Act that approved the issuance of \$159 million in General Obligation Bonds to fund the construction of various Public Safety facilities. Funding for the subject fire stations, Stations Nos. 34 and 35, is included in the Bond Act. Fire Station No. 34 will be located in the eastern portion of the City near the intersection of Las Plumas and Nipper Avenues. Fire Station No. 35 will be located in the southern portion of the City near the intersection of Cottle and Poughkeepsie Avenues. The new facilities will improve response time within the surrounding areas.

In May 2004, RRM Design Group (RRM) was selected to provide the architectural services for both projects and on June 1, 2004, Council approved an agreement for \$665,649 for the design services. Since June 2004, RRM has developed project documents through completion of schematic design on Fire Station No. 34 and Design Development on Fire Station No. 35.

ANALYSIS

In June 2005, Council adopted the 2005-2006 Capital Budget which included recommendations contained in Manager's Budget Addendum (MBA) #10: "REVISIONS TO THE PUBLIC SAFETY CAPITAL PROGRAM IN THE 2005-2006 PROPOSED CAPITAL BUDGET AND 2006-2010 CAPITAL IMPROVEMENT PROGRAM." The budget revisions contained in MBA#10 allowed for increases to the size and components of Fire Station Nos. 34 and 35.

These size increases are driven primarily by design elements necessary to ensure station privacy, adequate equipment and supply storage, health and safety needs, adequate space for mechanical and electrical systems and quality standards for materials and finishes.

The current agreement with RRM includes complete design services for program verification, schematic design, design development, construction documents and construction administration services for facilities with construction budgets of \$1,900,000 (Fire Station No. 34) and \$2,000,000 (Fire Station No. 35). These construction estimates were created prior to the recent programming efforts using existing fire stations as a model for the new facilities. Also, increases in structural requirements associated with two-story construction, necessary to minimize site requirements and thereby the cost of real estate, have increased the complexity and cost of station construction. Additionally, the costs of construction materials and labor have escalated at a faster rate than anticipated. The combination of the expanded size of the stations and the increase in the construction costs have required extensive value engineering and additional design work by RRM to bring the significantly developed design more in line with available funds. This added scope and extra effort by RRM was anticipated in the adopted budgets and are reflected in the proposed increases in their fees.

RRM's proposal for the additional work for the two expanded facilities is \$366,366. The proposed first amendment to the Consultant Agreement increases compensation by that amount, for a total of \$1,032,015. This increase was assumed in the development of the revised project costs approved in the 2005-2006 Adopted Capital Budget.

OUTCOME

Approval of the first amendment to the agreement with RRM Design Group allows the City to continue with the design for the new Fire Stations Nos. 34 and 35 and maintain the schedule to award for construction later this fiscal year.

PUBLIC OUTREACH

The Request for Qualifications for the design consultant was published in the *San José Mercury News* and in various other Bay Area newspapers. Two previous conceptual design meetings were held with the community in March and again in May of 2005.

COORDINATION

This memo has been coordinated with the Planning, Building and Code Enforcement Department, City Attorney's Office and City Manager's Budget Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$366,366
2. COST OF PROJECT

Agreement	\$665,649
First Amendment to Agreement	<u>366,366</u>
TOTAL	\$1,032,015
3. SOURCE OF FUNDING: 475- Neighborhood Security Act Bond
4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. While it is anticipated that the stations will be completed in 2007-2008, operating costs for both new stations in that year is estimated at \$821,000 because existing staff would be temporarily redeployed until 2008-2009 as presented in MBA #10. In 2008-2009, the annualized cost to operate the two stations is estimated at \$4.5 million in Fire Station No. 34 and Fire Station No. 35.

HONORABLE MAYOR AND CITY COUNCIL

10-27-05

Subject: First Amendment To The Agreement With RRM Design Group, Inc. For The Planning, Design And Construction Administration Of Fire Station No. 34 And Fire Station No. 35.

Page 4

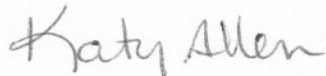
BUDGET REFERENCE

Fund #	Appn #	Appn Name	RC #	Total Appn.	Amt. For Contract	2005-06 Adopted Budget Page	Last Budget Action (Date, Ord. No.)
475	4546	Fire Station 34 Berryessa	122873	\$5,186,000	\$176,112	P. V-322	
475	4547	Fire Station 35 Cottle/Poughkeepsie	122883	\$5,150,000	190,254	P. V-323	
		Total		\$10,336,000	\$366,366		

CEQA


FS No. 34: Mitigated Negative Declaration, PP05-104

FS No. 35: Exempt, PP02-02-028.



KATY ALLEN

Director, Public Works Department

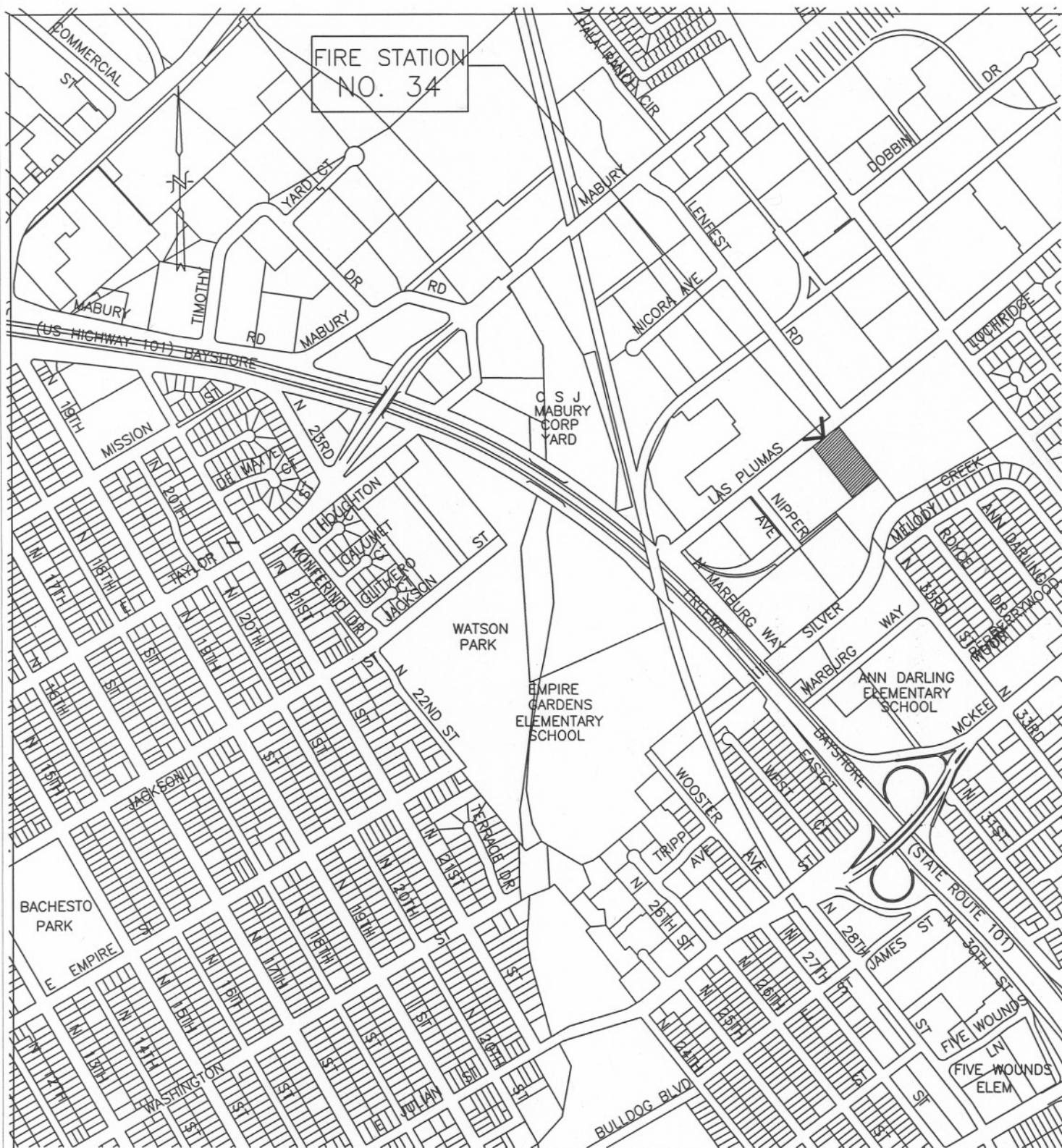


JEFFREY L. CLET

Fire Chief, Fire Department

Attachment

KJ:dp:df



FIRE STATION NO. 34
LOCATION MAP

N.T.S.



FIRE STATION NO. 35
VICINITY MAP
NO SCALE